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| 09/501,154 | 02/09/2000 | Srikanth Sankaran | PRI-102 | 3469 |
| 28970 | 7590 | 03/08/2004 | EXAMINER | |
| SHAW PITTMAN IP GROUP 1650 TYSONS BOULEVARD SUITE 1300 MCLEAN, VA 22102 | | | NGUYEN, NGA B | |
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| | | | 3628 | |
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Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/501,154

Applicant(s)

SANKARAN ET AL.

Examiner

Nga B. Nguyen

Art Unit

3628

MW

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 November 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1 and 3-30 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1 and 3-30 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. §§ 119 and 120

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 13) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.
a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____. 6) ☐ Other: _____

DETAILED ACTION

1. This Office Action is the answer to the request for reconsideration filed on November 19, 2003, which paper has been placed of record in the file.
2. Claims 1 and 3-30 are pending in this application.

Response to Arguments/Amendment

3. Applicant's request for reconsideration of the finality of the rejection of the last Office action is persuasive and, therefore, the finality of that action is withdrawn. Claims 1 and 3-30 are moot in view of the new grounds of rejection.

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. Claims 21-26 and 28-30 are rejected under 35 U.S.C. 102(e) as being anticipated by Godin et al (hereinafter Godin), U.S. Patent No. 6,266,652.

Regarding to claim 21, Godin discloses a method for offering multi-class instruments, comprising the steps of:

offering, via remoter computers, a plurality of classes of the multi-class instrument, at least two classes of the multi-class instrument being different from each other and

separately saleable (column 5, lines 20-45, figures 7-8, offering at the user's computer terminal product categories (is equivalent to classes) contain two different categories, e.g. "After School" and "Consumer Electronics", that contains many different items that separately saleable);

receiving, at an underwriter's computer, counteroffers in response to the offered plurality of classes (column 6, line 60-column 7, line 25; receiving at the vendor's server computer the purchase information from the user; an underwriter's computer is equivalent to a vendor's computer, "an underwriter", would be readily understood by one skilled in the art, is an entity that purchases product from one entity and markets them to other entities (see applicant's arguments page 8), thus a vendor is equivalent to an underwriter, because the vendor purchases product from the manufacturer and markets them to the consumers);

modifying, at an underwriter's computer the structure of at least one of the classes of the multi-class instrument in view of the counteroffers (column 10, lines 3-48, modifying at the vendor computer server the price and quantity); and

re-offering, via the remoter computers, the plurality of classes of the multi-class instrument (column 10, lines 3-48, re-offering to another purchaser until the quantity product is exhausted or maximum time is exceeded).

Regarding to claims 22-23, Godin discloses at least one iteration of steps a-d within a predetermined period of time is about 120 second (column 6, line 60-column 7, line 25, two minutes).

Regarding to claim 24, Godin discloses modifying the structure of at least one of the classes comprises considering prevailing market conditions (column 7, line 65-column 8, line 10; the demand price curve).

Regarding to claim 25, Godin discloses a method for offering a multi-class instrument, comprising the steps of:

storing, in a system operated by an underwriter, data representative of each class of the multi-class instrument, at least two classes of the multi-class instrument being different from each other and separately saleable (column 3, lines 30-50, storing at the vendor's computer server products information includes a starting price, a current quantity in the database server of the server computers 10 and 12; column 5, lines 20-45, figures 7-8, product categories (is equivalent to classes) contain two different categories, e.g. "After School" and "Consumer Electronics", that contains many different items that separately saleable);

displaying at least a portion of the data at remote locations (column 4, lines 20-45, displaying product category information at the user's computer terminal);

receiving, from at least one remote location, at least one offer to invest in at least one of the classes of the multi-class instrument (column 6, line 60-column 7, line 25; receiving from the user's computer terminal the purchase information);

modifying, in the system operated by the underwriter, the data representative of the multi-class instrument (column 10, lines 3-48, modifying at the vendor computer server the price and quantity);

re-displaying at least a portion of the data representative of the multi-class instrument at the at least one of the remote locations (column 10, lines 3-48, re-displaying product information to another purchaser until the quantity product is exhausted or maximum time is exceeded); and

receiving, from at least one remote location, a subsequent offer to invest in at least one of the classes of the multi-class instrument (column 10, lines 3-48, receiving purchase information from another user's computer terminal until the quantity product is exhausted or maximum time is exceeded).

Regarding to claim 26, Godin discloses accepting the subsequent offer and purchasing an amount of collateral consistent with the subsequent offer (column 10, lines 3-48; another user's computer terminal accept the subsequent offer from the vendor server computer and purchase an amount of collateral consistent with the subsequent offer).

Regarding to claims 28-29, Godin discloses at least steps in claim 25 are completed with a predetermined period of time is about 1-240 minutes (column 6, line 60-column 7, line 25, two minutes).

Regarding to claim 30, Godin discloses a method, implemented in and across an electronic network, of offering a multi-class instrument, comprising the steps of:

matching, in a system operated by an underwriter, received investor amount and prices against amount and price of respective classes stored in a class structure database, at least two of the classes being different from each other and separately saleable (column 6, lines 40-60; comparing and updating quantity and price received

from the user with the stored prices and quantity; column 3, lines 30-50, storing at the vendor's computer server, products information includes a starting price, a current quantity in the database server of the server computers 10 and 12; column 5, lines 20-45, figures 7-8, product categories (is equivalent to classes) contain two different categories, e.g. "After School" and "Consumer Electronics", that contains many different items that separately saleable);

conducting, in the system operated by the underwriter, price and amount equalization among the respective classes in view of the investor amount and prices (column 10, lines 3-48; conducting, in the vendor's server computer, current price and current quantity equalization among the products based on the user's purchase information);

re-matching investor amount and prices with the equalized price and amount (column 10, lines 3-48; the vendor's server computer re-comparing the another user quantity and price with the current quantity and price); and

purchasing collateral in conformance with the equalized price and amount (column 10, lines 45-50; the user purchase the product in conformance with the current price and current quantity).

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the

invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 1, 3-20, and 27 are rejected under 35 U.S.C. 103(a) as being unpatentable over Godin et al (hereinafter Godin), U.S. Patent No. 6,266,652.

Regarding to claim 1, Godin discloses a system for offering a multi-class instrument, comprising:

a central processing unit, a program memory (column 3, lines 18-25, web server computers 10 and 12, it is inherent that a computer always has a central processing unit (CPU) and a program memory), a structure database (column 3, lines 30-48, the database server stores products information); and an investor database (column 4, lines 45-56, the database 22 stores customers information);

wherein the CPU, program memory, structure database and investor database are in communication with one another (see figure 1),

wherein the structure database stored a structure representative of a plurality of classes of the multi-class instrument, wherein at least two classes of the plurality of classes are different from each other and separately saleable (column 5, lines 20-45, figures 7-8, product categories (is equivalent to classes) contain two different categories, e.g. "After School" and "Consumer Electronics", that contains many different items that separately saleable), and

wherein the system operates to display class information related respectively, to each class of the multi-class instrument, receive bid information (column 6, line 60-column 7, line 25), modify the structure database in response to the bid information and display updated class information (column 6, lines 40-60 and column 8, lines 22-28).

Godin does not teach notify the underwriter of an amount of collateral to purchase in view of the bid information received. However, Godin teaches notify the underwriter (the underwriter is equivalent to the vendor, "an underwriter", would be readily understood by one skilled in the art, is an entity that purchases product from one entity and markets them to other entities (see applicant's arguments page 8), thus a vendor is equivalent to an underwriter, because the vendor purchases product from the manufacturer and markets them to the consumers) about the price and demand in view of the bid information received (column 7, line 65-column 8, line 10). Moreover, it is obvious and well known in the art of inventory management that a vendor purchase products from manufacturer based on consumer's demand. Most of vendors are interested in acquiring products from the manufacturer which can be quickly sold to customers, thus the vendor can maximize the profit and minimize the risk of purchasing the products which cannot be sold to customers. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to incorporate the feature above in Godin's for the purpose of maximizing the profit and minimizing the risk of carrying the products which cannot be sold to customers for the underwriter.

Regarding to claim 3, Godin discloses the bid information includes price and amount information (column 6, lines 25-40).

Regarding to claim 4, Godin discloses an input for receiving market information (column 6, lines 60-column 7, line 25, receiving purchase information from the user, the purchase information is also the vendor provides the demand price curve based on the

customer's purchase information, see column 7, line 65-column 8, line 10 for the demand price curve).

Regarding to claim 5, Godin discloses the structure database is modified further in view of the prevailing market price of collateral (column 7, line 65-column 8, line 10; the demand price curve).

Regarding to claim 6, Godin discloses means for transmitting the class information over the Internet (column 3, line 18-25).

Regarding to claims 7, 15, 18, 19, 27, Godin does not directly teach wherein collateral for the multi-class instrument includes at least one of treasury notes, agency notes, a corporate security, a contract traded on an organized commodities or securities exchange, a collateralized mortgage obligation, collateralized bond obligation, collateralized loan obligations, etc....However, Godin teaches the goods database contain many different categories (see column 5, lines 20-45). Moreover, today there exist many different commercial companies to conduct auction for financial products such as stocks, bond, mortgage loan, etc...over the Internet. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Godin's to include the special type of products above in order to apply the auction process of Godin's for that type of products.

Regarding to claim 8, Godin discloses an electronic trading system for offering a multi-class instrument, comprising:

a computer system (column 3, lines 18-25, web server computers 10 and 12), a database (column 3, lines 30-48, the database server stores products information) and

a modem (column 3, lines 18-25, user 8 has a computer terminal with the appropriate software for accessing the Internet, it is inherent that in order to access the Internet, the user's computer terminal must have a modem),

wherein the database stores offer information related to the respective classes of the multi-class instrument and at least two classes of the multi-class instrument are different from each other and are separately saleable (column 5, lines 20-45, figures 7-8, product categories (is equivalent to classes) contain two different categories, e.g. "After School" and "Consumer Electronics", that contains many different items that separately saleable), the modem receives price and amount bids for at least one of the classes of the multi-class instrument (column 6, line 60-column 7, line 25), and the computer system modifies the offer information of at least one of the classes of the multi-class instrument based on received price and amount bids (column 6, lines 40-60 and column 8, lines 22-28).

Godin does not teach determines an amount of collateral that the underwriter should purchase to underwrite the class. (See claim 1 for the same rejection).

Regarding to claims 9-10, Godin discloses the electronic trading system responds to any single price and amount bid within a predetermined period of time is about 120 seconds (column 6, line 60-column 7, line 25, two minutes).

Regarding to claim 11, Godin discloses price and amount bids are periodically received and the system updated class displays with updated offer information (column 6, lines 40-60).

Regarding to claims 12, Godin discloses the offer information is updated based on market conditions (column 8, lines 22-28).

Regarding to claim 13, Godin discloses means for operating the system over the Internet (column 3, lines 18-25).

Regarding to claim 14, Godin discloses a method, implemented in and across an electronic network, for offering a multi-class instrument, comprising the steps of:

storing, within a first computer operated by an underwriter, an initial offer price and an initial offer amount related to at least two classes of the multi-class instrument, the at least two classes being different from each other and separately saleable (column 3, lines 30-50, storing at the vendor's computer server products information includes a starting price, a current quantity in the database server of the server computers 10 and 12; column 5, lines 20-45, figures 7-8, product categories (is equivalent to classes) contain two different categories, e.g. "After School" and "Consumer Electronics", that contains many different items that separately saleable);

displaying, on at least one second computer, the offer price and offer amount (column 4, lines 20-44, displaying at the user's computer the product information);

receiving, at the first computer, at least one of a counter offer price and a counter offer amount information (column 6, line 60-column 7, line 25; receiving at the user's computer terminal the purchase information);

modifying, in the first computer, the initial offer price and initial offer amount of at least one of the classes of the multi-class instrument based on at least on of the counter offer price, counter offer amount and market conditions (column 6, lines 40-60, modifying at the server computers product information),

accepting the counter offer price and counter offer amount (column 6, line 60-column 7, line 25, accepting purchase information from the user); and

Godin does not teach indicating to the underwriter the amount of collateral to purchase to underwriter the counter offer price and counter offer amount. (See claim 1 for the same rejection).

Regarding to claim 16, Godin discloses matching the counter offer price and amount offer amount with stored prices and amounts (column 6, lines 40-60, comparing the offer price and amount with the stored prices and amounts).

Regarding to claim 17, Godin discloses a method for offering a multi-class instrument, comprising the steps of:

displaying, on a remote computer, offer information for at least one class of the multi-class instrument, at least two classes being different from each other and separately saleable (column 5, lines 20-45, figures 7-8, displaying at the user's computer terminal product categories (is equivalent to classes) contain two different categories, e.g. "After School" and "Consumer Electronics", that contains many different items that separately saleable);

receiving, at an underwriter's computer, a first bid for one of the classes of the multi-class instrument and comparing the first bid to the offer information (column 6, line 60-column 7, line 25; receiving at the vendor's server computer purchase information from the user);

modifying, at an underwriter's computer, the offer information with respect to another one of the classes of the multi-class instrument based on the first bid (column 6, lines 40-60, modifying at the server computers product information);

displaying, on the remote computer, modified offer information with respect to the another one of the classes (column 10, lines 15-37);

receiving, at an underwriter's computer, a second bid for the another one of the classes (column 10, lines 15-37);

accepting the first and second bids (column 10, lines 15-37); and

Godin does not teach determining an amount of collateral for the underwriter to purchase to underwrite the first and second bids. (See claim 1 for the same rejection).

Regarding to claim 20, Godin discloses modifying the offer information in view of prevailing market conditions (column 8, lines 22-28).

Conclusion

8. Claims 1 and 3-30 are rejected.

9. The prior arts made of record and not relied upon is considered pertinent to applicant's disclosure:

Shdedy (US 6,260,024) discloses method and apparatus for facilitating buyer-driven purchase orders on a commercial network system.

Ojha et al. (US 6,598,026) disclose method and apparatus for facilitating a transaction between a buyer and one of a plurality of sellers via the Internet.

Sheldon et al. (US 5,765,143) disclose a computer system and method for controlling inventory of vendors.

Salvo et al. (US 6,341,271) disclose inventory management system and method.

Usrey (US 6,366,890) discloses product inventory category management and variety optimization method and system.

Brown et al. (US 6,470,324) disclose a dealer inventory management system for recommending which types of vehicles a dealer should order from the automotive manufacturer.

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Nga B. Nguyen, whose telephone number is (703) 306-2901. The examiner can normally be reached on Monday-Thursday from 8:30 AM-6:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough, can be reached on (703) 308-0505.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (703) 308-1113.

11. Any response to this action should be mail to:

Commissioner of Patents and Trademarks
c/o Technology Center 3600
Washington, D.C. 20231

or faxed to:


(703) 872-9326, (for formal communications intended for entry)

or:

(703) 308-3961 (for informal or draft communications, please
label "PROPOSED" or "DRAFT")

Hand-delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, VA, Seventh Floor (Receptionist).

Nga B. Nguyen
February 11, 2004


HYUNG SOUGH
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600